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AUTHOR Glickman, Albert S.
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ABSTRACT

A variety of crucial changes are occurring in patterns of work and free-time activities, and in composition of the work force, accompanied by alterations in societal values. Public agencies and corporate managements need to improve their ability to recognize such trends in time to adjust policy to meet changing conditions. A project, supported by the Social Security Administration, developed instruments to assess work and leisure in terms of the values, needs, attitudes, and behaviors (life ethos variables) held by different segments of the American public. This effort culminated with a probability sampling of 800 Baltimore residents. Highlights are presented of the conceptual framework (the life ethos model), the construction of factorial scales, and the results of discriminant function analyses and regression analyses that were conducted with particular attention to social psychological factors affecting labor force participation by group differing in age, sex, race and work/labor force status. Psychological factors explain significant amounts of variance. The best predictor of labor force participation was perceived health. Those in the labor force had a high internal locus of control and were more likely to value the compensatory function of leisure. (Author)

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SOCIAL PSYCHOLOGICAL FACTORS AFFECTING LABOR FORCE PARTICIPATION

Albert S. Glickman
Old Dominion University
Richmond, VA

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Social Psychological Factors Affecting Labor Force Participation

Albert S. Glickman
Old Dominion University

Most of this audience has had exposure to the extensive literature on what comes under the general heading of personnel turnover. Considerable data has been built up and theoretical formulations have matured in both the context of the job and career motivation of individuals, and of the management of personnel in organizations. Behavioral scientists have not often been involved in the more global context, in the study of the factors affecting the movement of major segments of the population into and out of the labor force. Economists have done most of the work in this area. Economic variables and demographic characteristics have predominated in their data base.

The research I am going to talk about was supported by the Social Security Administration, over a period of 3½ years. During most of this time, Alan Romanczuk was a major contributor. The late stages had important inputs from Angela Rieck and Veronica Nieva.

We sought to augment the prevailing economically rooted rationale with a model that would integrate sociopsychological concepts - concepts that assimilate a complex of work and leisure activities, attitudes, values and needs - with the aim of improving the diagnosis and anticipation of shifts in labor force activity.

We are witnessing a variety of crucial changes in patterns of work and free time activities, and in composition of the work force, accompanied by substantial alterations in values in our society. Public agencies

and corporate managements need to improve their ability to recognize such trends with sufficient lead time to adjust policy to meet changing conditions. Without adequate foresight and flexibility, policy-makers may face the danger of finding themselves impotent and deficient in resources, such that corrective measures are difficult to implement at critical junctures.

For some sample situations, we can look at the changing mix of the American work force. We know that the average age of the population and the work force is increasing. We know that in the last generation the work force has had a massive infusion of women, and that half of them have families.

Our paycheck deductions regularly call to our attention what happens as the ratio of retirees to workers goes up. You will recall that retirement benefits was the key issue in the 1979 labor contract negotiations at General Motors, where one person draws a pensioncheck when three workers draw their paychecks. Before 1999, there will be only two at work for each on pension.

What will be the eventual outcome of the legislation that takes the lid off the mandatory retirement age?

Until now, child day care has been thought of as a welfare aspect of public policy. How long will it be before every sizeable work site will include a nursery?

What additional changes impend in education and training as a result of changes in the age, sex and race composition of the labor force, and shifts in the time devoted to work and leisure activities?

I am sure that you could come up with a hundred similar questions if I declared a ten minute recess.

Conceptual Framework

We called the conceptual framework that guided our research, the "life ethos model." In graphic form it is represented by Figure 1. The components of the model are listed in Table 1.

Let me run through these quickly.

To illustrate its inherently longitudinal nature, the model is broken up into three life stage segments. Time 1 can be used to give the cross-sectional view.

Starting from the left, the first set of variables are labeled societal conceptual factors. These variables are not dealt with in this study, as they do not impact directly on the individual.

The next category, general beliefs and expectations, consists of constructs, as you see again in Table 1, relating to self-image, beliefs relating to welfare, and expectations of future financial security, marriage and retirement.

Those beliefs and expectations interact with a number of other components. In the demographics category are traditional variables describing the population.

Historical variables give information from a person's past.

Situational variables reflect the current situations in which a person finds himself or herself, and which have a direct bearing on one's lifestyle.

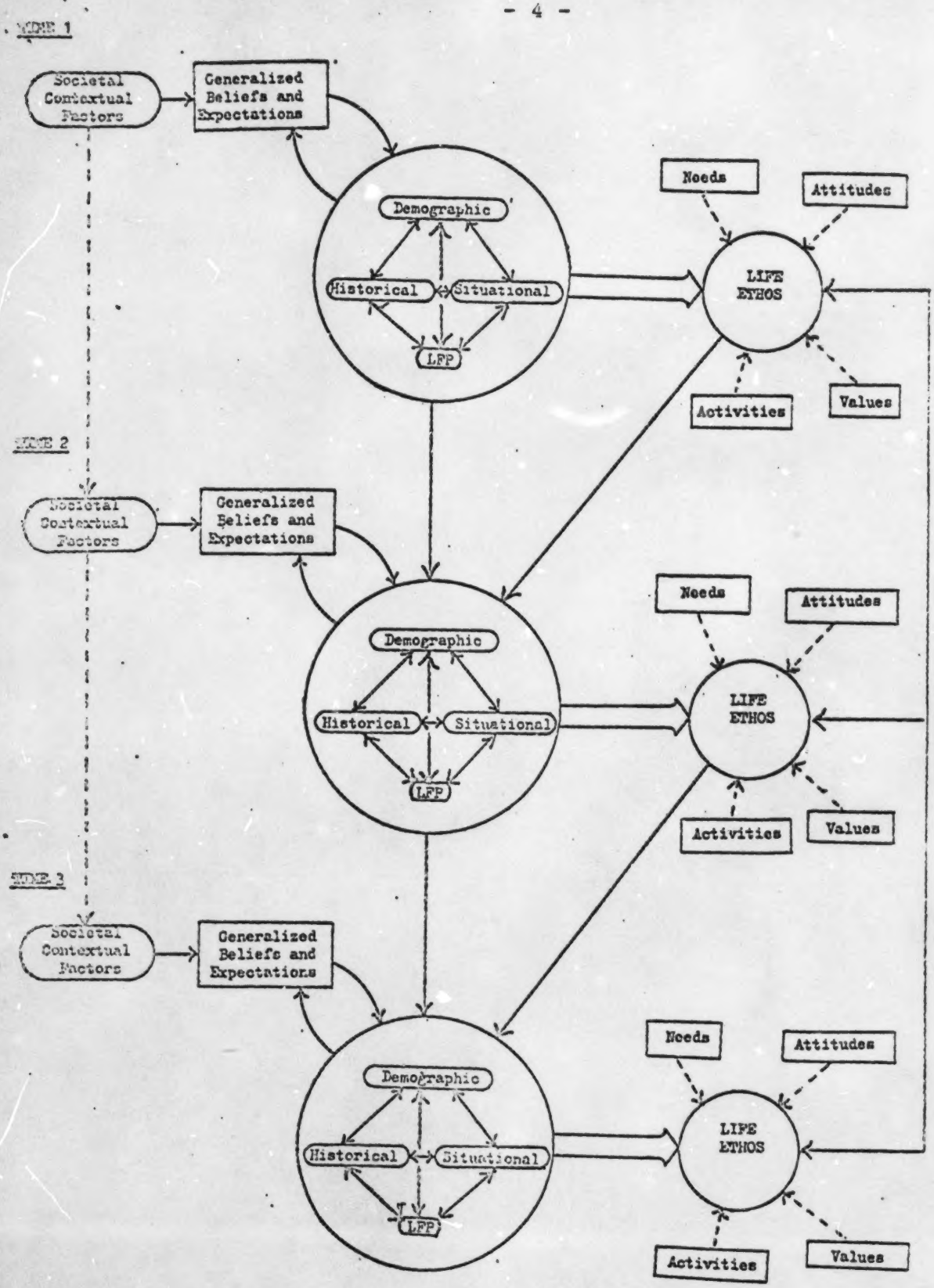

FIGURE 1. Life Ethos Developmental Model

TABLE 1

Description of the Life Ethos Model Components

SOCIETAL CONTEXTUAL FACTORS

- o Economic indicators
- o Political trends
- o Major current events

GENERAL BELIEFS AND EXPECTATIONS

- o Welfare beliefs
- o Locus of control
- o Alienation
- o Self-esteem
- o Expectation of future financial security
- o Marital expectations
- o Retirement expectations

DEMOGRAPHICS

- o Age
- o Sex
- o Marital status and dependents
- o Geographic location and size of hometown
- o Occupation of respondent/spouse
- o Education
- o Income

HISTORICAL VARIABLES

- o Birthplace
- o Size of hometown where raised
- o Heads of household when growing up
- o Occupation, head of household
- o Financial security of child
- o Reason for retirement (if retired)

SITUATIONAL VARIABLES

- o Own/rent dwelling
- o Perceptions of current financial security
- o Perception of health
- o Household mobility

LABOR FORCE PARTICIPATION (LFP)

- o Current participation
- o Participation last year
- o Participation in longest occupation
- o Retirement status
- o Anticipated exit from labor force

LIFE ETHOS VARIABLES

- o Free time activity patterns
- o Most satisfying free-time activity
- o Satisfaction of work/free-time activities
- o Work/leisure values
- o Work/leisure/life satisfaction
- o Liking and identification with work/leisure
- o Work/leisure needs

Labor force participation variables can generally be considered dependent variables in this project, while all the other variables can be viewed as independent variables. Included here is information about occupations past and present, retirement status, and so forth.

Components of Life Ethos

In this model, life ethos has been set apart to make salient the most unique aspect of this research. Here we have items which relate to orientations and activities in work and free time contexts. In this component we have distinguished a number of dimensions which have a bearing on labor force participation.

Measures of attitudes toward work and leisure were designed to provide quite detailed descriptions of people's satisfactions derived from work and free time activities.

Values are fewer in number and more general than attitudes, less situation bound and more resistant to fluctuation.

Individuals also may be classified according to the way in which they order their physical, material, and psychic needs by level of importance in given situations, and how their social and job-specific behavior is shaped.

Lastly, free time activities are included as another component of the life ethos. They are quite analogous to the work activities, which we have already treated them under the labor force participation headings, and which are also conceptually linked to the life ethos.

As we go from Time 1 to Time 2 to Time 3, events changing the societal environment affect the cognitive, affective and behavioral components of people. Some background factors stay the same, like sex and race. Others change, like income and marital status. Life styles and situation are continually altered. Labor force participation goes through several stages. New patterns of the life ethos emerge over time.

Only by using a longitudinal approach is it possible to establish definitively whether differences in life ethos and labor force intention measures are a result of aging, belonging to certain age and sex cohorts at different periods of history, or being associated with particular socioeconomic segments of society.

Wouldn't it be nice if we had some social indication, to go along with the regularly scheduled indices of economic conditions, consumer intentions, and the like, to give us timely anticipation of changes in patterns of values, needs and beliefs, as well as to provide consistent criterion measures of impact of interventions by government, through education, and in business and industry.

The usual practical constraints restricted us to cross-sectional studies, but we think we have provided foundations upon which future longitudinal efforts can be based.

Major Phases

This project had two major phases. Phase I contained the conceptual evolution that I have just talked about, and the development and small scale tryout of survey instruments and exploratory analyses of the data obtained in the tryout. In Phase II we applied what we learned and built more systematically to a larger

sample, representative of the city of Baltimore. I will concentrate on what was done and what was found in Baltimore.

Survey Overview

Because our time is short I will limit myself to the highlights of our approach.

Sample. The Baltimore urbanized area was the geographic universe for our study. A probability sample was constructed consisting of 112 blocks containing a minimum of 25 housing units, in which on the average 5 units were chosen. All residents in these units, age 18 and over were interviewed. The total N was 800.

Survey questionnaire. Table 2 shows the principal sources from which scales and items were drawn (in some instances modified by us).

Insert Table 2 about here

Overview of Analysis

Factor analyses on the needs, values, and belief item sets were conducted to increase understanding and build scales. Table 3 gives brief descriptions of 12 value scales, 12 need scales, and 6 belief scales that were used. Items had 5 alternatives ranging from strongly agree (scored 1) to strongly disagree (scored 5).

Insert Table 3 about here

A variety of discriminant function analyses and regression analyses were carried out with the data. Tables 4 and 5 give you listings of these. I have time to give as a sample only two that deal most directly with the influences upon labor force participation.

TABLE 2

Principal Sources of Scales and Items

General beliefs and expectations
- Locus of control scale (Rotter, 1966)
- Locus of control scale (Norwicki and Strickland, 1972)

Alienation
- Alienation scale - powerlessness, normlessness, meaninglessness, cultural estrangement, social estrangement items (Middleton, 1963)

Self esteem
- Self esteem scale (Coopersmith, 1967)

Welfare
- Feelings about: being able to support oneself; societies responsibility for supporting individuals (Romanczuk and Glickman, 1976)

Future financial security expectations
- (Romanczuk and Glickman, 1976)

Retirement expectations
- Retirement history surveys (Social Security Administration, 1971)

Demographic/biographical/historical
- Survey of working conditions (Seashore and Barrowe, 1971)
- National longitudinal surveys (Parnes, 1966)
- Census of population: classified index of industries and occupations (Bureau of the Census, 1970)
- Current population survey (Bureau of the Census, 1970)

Labor force participation
- National longitudinal surveys - current and post personnel items (Parnes, 1966)
- Number of years with employment; retirement status; income (Romanczuk and Glickman, 1976)
- Availability for employment; father's and spouse's work history, sources of income (Glickman, Rieck, Nieva, and Romanczuk, 1979)

Life ethos
- Free time activities (Neulinger, 1974; McKechnie, 1979; Bishop, 1970)
- Satisfaction with activities (Neulinger, 1974)
- Basic satisfaction (Neulinger, 1974; Parnes, 1966)
- Work values (Kilpatrick, Cummings, and Jennings, 1964)
- Leisure values - paralleling work values (Romanczuk and Glickman, 1976)
- Work needs (Guion and Elbert, 1973)
- Leisure needs - paralleling work needs (Romanczuk and Glickman, 1976)

TABLE 3

Factorial Scales

Value scales

1. Personal-social accomplishment(L) - leisure as an opportunity for success and accomplishment (6 items).
2. Traditional work ethic - inherent goodness of work, and feelings of responsibility for one's job (5 items).
3. Job-related leisure - values free time activities similar to one's work (2 items).
4. Social contribution(L) - helping others in one's free time (2 items).
5. Release from external pressures(L) - leisure as relaxation (2 items).
6. Fate victimization - lack of personal control over job advancement (2 items).
7. Problem suppression - work and free time activities help one forget (2 items).
8. Compensatory function(L) - leisure compensates for what is missing in work (2 items).
9. Personalized challenge(W) - good job has hard problems and chance to use own ideas (2 items).
10. Hedonism - work and leisure should be enjoyable (2 items).
11. Social contribution(W) - helping others in one's work (3 items).
12. Personalized challenge(L) - in leisure pursuits, tackling hard problems and seeing results (2 items).

Need scales

1. Need for job advancement - external rewards like pay and promotion (3 items).
2. Freedom from imposed constraints(L) - feeling free of usual pressures at leisure (4 items).
3. Job enrichment - creativity and variety in work (5 items).
4. Personal power(L) - exercizing control over others in free time activities (2 items).
5. Mental and physical health - work and free time activities that contribute to physical and mental health (4 items).
6. Leisure enrichment - creativity and variety in free time (5 items).
7. Religiosity - free time and work situations that do not interfere with religious beliefs (2 items).
8. Working conditions - adequate working conditions (3 items).
9. Personal power(W) - directing others at work (2 items).
10. Recognition for accomplishment(W) - gaining respect, being useful through work activities (3 items).
11. Moral-ethical - free time and work activities that do not conflict with moral beliefs (2 items).
12. Recognition for accomplishment(L) - gaining respect, being useful through leisure activities (3 items).

Belief scales

1. External locus of control - experiencing powerlessness and lack of control (4 items).
2. Positive self-esteem - self-confidence (3 items).
3. Disengagement - difficulty in adapting to change (2 items).
4. Internal locus of control - exercises control of own life (2 items).
5. Anti-welfare - negative toward society's responsibility for helping others (2 items).
6. Negative self-esteem - lack of self-confidence (2 items).

However, I will make passing mention of one finding from the discriminant analysis. Professor Henry Higgins', chauvanist, wish is being fulfilled. For better or worse, women are becoming "more like us." Profiles obtained for women in the labor force are more similar to male profiles than they are to the profiles obtained for women not in the labor force.

Insert Tables 4 and 5 about here

Labor Force Participation

Labor force participation, our dependent variable, is defined as a dichotomy. Those who are currently working or looking for work are counted in the labor force. Housewives, retirees, students, and those unable to work are not.

In stepwise multiple regressions, needs, values and beliefs scales derived from the life ethos items were the independent variables of greatest interest to us. These were supplemented by items relating to income, health, and satisfaction.

The results in Table 6 are for the entire sample. We thought that the relatively large number of retirees might inflate the importance of age, income and health. A separate analysis excluding people over 65, however, gave essentially the same pattern of results.

The best predictor of labor force participation was perceived health. If respondents felt that their health interfered with their work, they were generally not in the labor force. Demographic variables, as one might expect, had high correlations with labor force participation. Older persons and females were less likely to be working. Those who had higher incomes,

TABLE 4

Discriminant Function Analyses Performed

Age: 18-30--31-52--53 & up

Work status: In labor force--Looking for work--Retired--Student--Unable to work--Housewife

Sex: Male--Female

Labor force status of women: In--Not in

Race: White--Black

TABLE 5

Multiple Regression Analyses Performed--Dependent Variables

Factors affecting welfare-related attitudes

- "Most people in this country could make a living if they tried hard enough." (Individual responsibility)
- "Society does not have the responsibility to support anyone." (Societal responsibility)

Labor force participation

- Currently working or looking for work vs. Others
  - Total population
  - Population under 65
- "Do you expect ever to stop working for a living?" (Intention to retire)
- "Would you take a job if it were offered to you?"
  - Female homemakers (Intention to enter or reenter workforce)

Insert Table 6 about here

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more dependents, and were white, were more likely to be in the labor force.

There was a negative relationship between identification with leisure and labor force participation, while there was a positive relationship with identification with work items. Enjoyment of both leisure and work was related positively with participation. Generally, those in the labor force had a high internal locus of control and had less feelings of negative self-esteem and disengagement. They were also less willing to contribute to others in need. Those in the labor force had less need to make social contributions in their leisure time than non-workers. Instead they were more likely to value the compensatory function of leisure. Generally, leisure needs were negatively correlated with labor force participation, while job needs were positively correlated. For example, the higher the need for job advancement, the more likely it was that the respondent was a member of the labor force; while higher needs for enriched experiences and recognition for accomplishment in leisure was associated with less labor force participation.

Altogether, our instrument appears to have good predictors of many aspects of labor force participation. We get a Multiple-R of .61 (or .57 when corrected for shrinkage). And it is encouraging to find that psychological factors explain significant amounts of variance; thus enabling us to understand labor force participation phenomena better than when we have to depend on demographic and economic data alone.

Despite this relatively high multiple for the population at large, a clearer picture of causal relationships

TABLE 6

Prediction of Labor Force Participation *(N=794)

Values	simple r	beta weight
Hedonism (22)	-.054	-.054
Compensatory function of leisure (7)	.029	.061
Social contribution (L, (14)	-.052	.066
Needs		
Need for job advancement	.102	.046
Leisure need for enrichment (13)	-.054	-.096
Mental and physical health (18)	.022	-.091
Freedom from imposed constraints (L) (17)	.008	.107
Recognition for accomplishment (2)	-.098	-.065
Beliefs		
Anti welfare (23)	-.013	.055
Negative self esteem (24)	-.033	.056
Disengagement (25)	-.051	-.041
Internal locus of control (12)	.009	-.071
Demographics		
Age (2)	.397	.517
Sex (3)	-.238	-.234
Race (21)	.035	-.061
Income (5)	-.248	-.901
Health		
Does health limit your work? (1) (1=not at all)	.408	.299
Children		
Age of youngest child (9)	.338	-.306
Number of dependents (8)	.034	.106
Perceived Income		
Do you worry about income? (10) (1=frequently)	.109	.105
Describe your income (11) (1=can't make ends meet)	-.134	-.099

Identification with Work or Leisure	simple r	beta weight
Do you identify with leisure (4) (1=strongly agree)	-.087	-.123
Would you work if you didn't have to? (5) (1=no)	-.248	-.090
Do you like work more than average? (16) (1=much more)	.132	.066
Do you like leisure more than average? (15) (1=much more)	.093	.065

R = .610

Shrunken R = .576

*1 = in labor force
2 = not in labor force
() Means order of entry

would probably emerge from a longitudinal study. It would also help, if we could develop models and analyses for population segments of particular interest, like women, the elderly, and young black males.

Intention of Women to Enter or Return to the Labor Force

An example of a more focused study of this kind is provided by an analysis of a subsample of housewifes given the opportunity to express a choice to join (or rejoin) the work force, or to remain in their present role. The question that was used as the dependent variable was: "Would you take a job if it were offered to you?" Admittedly, this question only addresses a small segment of housewives; those who could go to work now. However, at a time that the numbers of women with families has been selling rapidly, the importance of being able to forecast their return to the work force makes the analysis worthwhile.

Since the number of cases was small (n=141), to reduce capitalizing on chance we elected to use only 20 independent variables that appeared to be most pertinent. Table 7 lists 18 of these.

Insert Table 7 about here

If we apply the same stringent statistical criteria (Rozeboom, 1978) as in the previous analysis, incorporating a shrinkage correction, because the number is relatively small, we would cut off after the fourth variable with a Multiple-R of .34 (or .25 shrunken). The best predictor of returning to the work force was age. Older women are less likely to return to work. Presumably these are the women who have been away from work longest, and whose job skills, if any, have fallen into disuse.

TABLE 7

Prediction of Homemaker's Intention
to Return to Work (N=141)*

Values (5 = Disagree strongly)	simple r	beta weight
Personalized Challenge (W) (5)	-.027	-.141
Job related leisure (2)	.138	.179
Needs (5 = Not at all important)		
Need for job advancement (13)	.056	.056
Moral-ethical (14)	-.057	-.038
Personal power (W) (15)	-.004	-.025
Beliefs (5 = Disagree strongly)		
External locus of control (16)	-.048	.016
Self confidence (8)	.088	.080
Demographics		
Age (1)	.236	.075
Education (4)	-.127	-.133
Perceived Income (3) (1=can't make ends meet)	.126	.166
Satisfaction (5 = dissatisfied)		
Work satisfaction (9)	-.092	-.076
Leisure satisfaction (7)	-.142	-.115
Life satisfaction (12)	.043	.075
Overall Health (1 = excellent) (6)	.120	.099
Work History (10)	.00436	-.073
Identification with Work (18)	.027	-.010
Dependents		
Number of children (17)	-.023	-.012
Age of youngest (11)	.229	.146

*1 = Yes
2 = No

NOTE: To meet our criteria analysis would be halted after fourth variable R=.342, Shrunken R=.255.

( ) Means order of entry.

The next best predictor indicates that the more she valued job-related leisure, the more likely she would accept a job offer. Then, the higher her perceived income, the less likely it would be that she would accept a job. This tends to erase some notions that women's work is not economically necessary (cf. Parsons, 1943). Lastly, we find that the higher the educational level, the greater the chances that she would accept a job.

Because we were looking for clues for model building, we ran the analysis through 18 variables that made significant contributions if the shrinkage formula was not applied.

Insert Figure 2 about here

Figure 2 is the model of intention to return to the labor force that grew out of our analyses and reference to the work of others (cf. Dowdall, 1974). We hypothesize that demographics (such as prior work history, education and age), needs, values, and some beliefs, affect the type of job desired. The homemaker compares the type of job desired with her educational level, age, and prior work history, and arrives at a decision as to her perceived ability to obtain a job. This decision is moderated by self esteem and feelings of control. If the decision is affirmative, she will attempt to return to work. Satisfaction with life, work, and leisure also influence her intention to return to work.

There are two preconditions to this model. If the woman's perceived income level is insufficient, she will immediately return to work, regardless of her attitudes. If she perceives that she is needed in the home or reports poor health, she will stay at home.

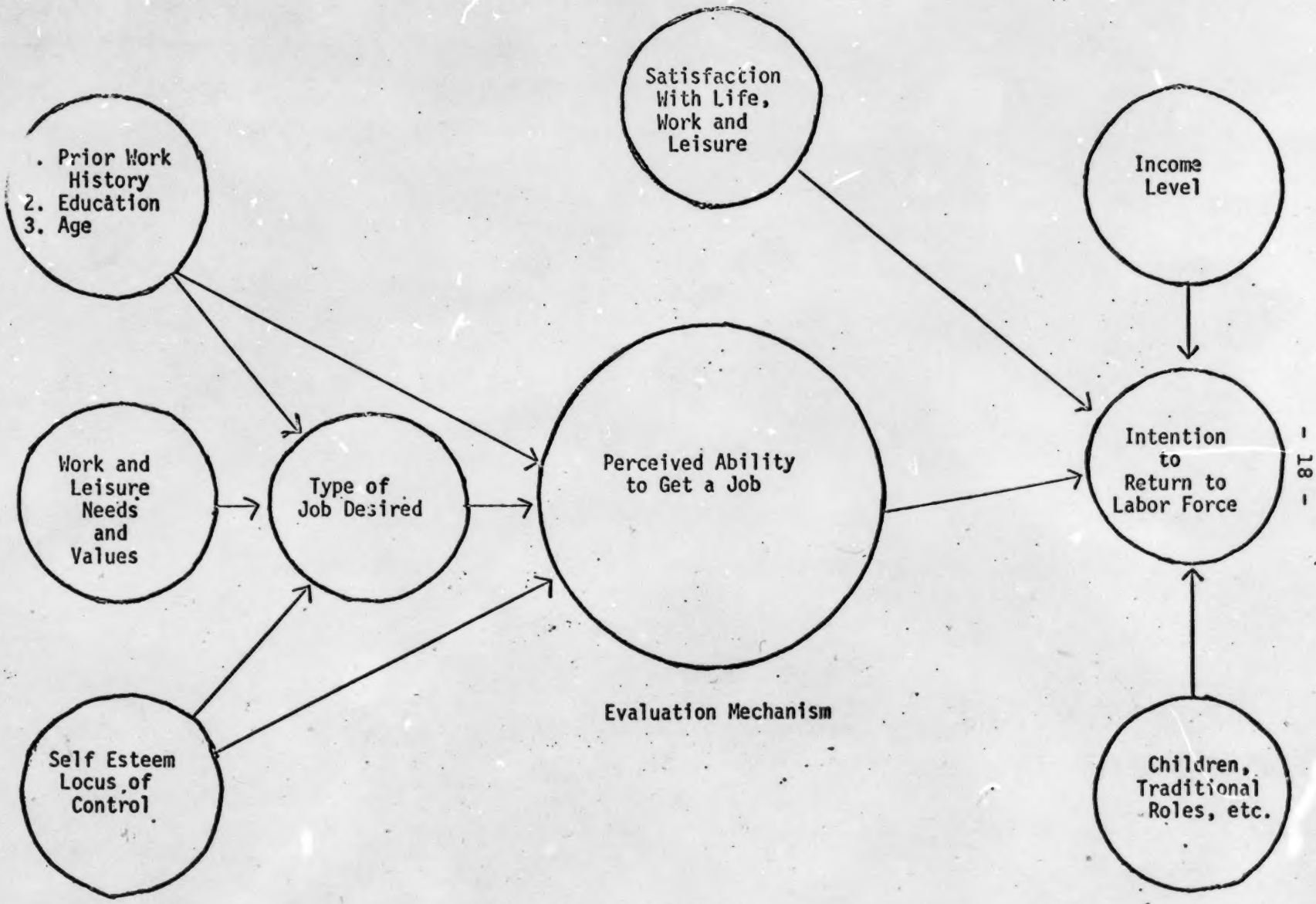
. Prior Work History
2. Education
3. Age
Satisfaction With Life, Work and Leisure
Income Level
Work and Leisure Needs and Values
Type of Job Desired
Perceived Ability to Get a Job
Intention to Return to Labor Force
Evaluation Mechanism
Self Esteem Locus of Control
Children, Traditional Roles, etc.

FIGURE 2

Model of Intention to Return to Labor Force

In addition, the evaluation mechanism (perceived ability to get a job) feeds back directly into type of job. If her perceived ability to get a job is negative, but she is unsatisfied and truly desires one, she will lower the status of the type of job acceptable. In addition, if she desires to return to work, but is unsuccessful in finding employment, a total reassessment is made and the decision cycle begins anew.

This model reveals a weakness in our original model. To move ahead we need t incorporate such psychological variables as perceived ability to get a job and type of job desired.

Some Concluding Comments

I will close now with a few selected observations on the utility of social psychological constructs in understanding labor force participation.

Our analyses show that the social psychological constructs in the survey give useful information over and above that provided by purely demographic and labor force history variables. In both the discriminant function and regression analyses, in a sense, all the variables are "competing" against each other, in terms of how strongly they relate to group membership or to outcome variables. In our results the "soft" variables consistently emerge as significantly related to labor force participation, intention to retire, and women's intention to return to the labor force, over and above the variance they shared with the demographic variables. Furthermore, these social psychological variables appeared to be reasonable and logical from the point of view of theory and common sense. In general, the prognosis is favorable on the utility of such variables in research on labor force participation.

At this point, however, the only information available is of cross-sectional, "one-time" data. As mentioned earlier, the true test if utility would be longitudinal analysis that makes it possible to check predictions out with actual phenomena as they occur.

The usefulness of these social-psychological factors is not limited to the extent to which they can predict future trends, although that is of primary importance to the Social Security Administration. An additional function they can exhibit is to clarify the relationships among the various factors that affect labor force intentions and actions. Economic models are in many ways "black box" models which do not in themselves sufficiently explain the processes by which labor force decisions are made. In the end, labor force participation decisions are made by individuals, not aggregates, and understanding of the factors affecting the decisions of those individuals cannot help but benefit policy makers. Greater clarity about the causal processes behind labor force behaviors would provide policy makers with specific points of intervention based on data.

This application of the social psychological concepts measured in this study is, thus far, only hypothetical.

No causal analyses were conducted to clarify the paths by which different variables would affect each other and eventually lead to the labor force outcomes of interest. This would be a promising and potentially rewarding avenue for future research to pursue.